BROADWAY FINANCIAL CORP \DE\
Form 10-Q
August 13, 2015
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2015

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For transition period from__________ to___________

Commission file number 000-27464

BROADWAY FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**95-4547287**

(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5055 Wilshire Boulevard, Suite 500

Los Angeles, California	**90036**
(Address of principal executive offices)	(Zip Code)

(323) 634-1700

(Registrant s telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated, or a smaller reporting company. See the definition of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer [ ] Accelerated Filer [ ] Non-Accelerated Filer [ ] Smaller Reporting Company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes [ ] No [X]

Indicate the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date: As of August 5, 2015, 21,405,188 shares of the Registrant s voting common stock and 7,671,520 shares of the Registrant s non-voting common stock were outstanding.

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Consolidated Statements of Financial Condition

(In thousands, except share and per share amounts)

	June 30, 2015 (Unaudited)	December 31, 2014
Assets		
Cash and due from banks	$ 5,396	$ 5,740
Federal funds	46,265	15,050
Cash and cash equivalents	51,661	20,790
Securities available-for-sale, at fair value	15,647	17,075
Loans receivable held for sale, at lower of cost or fair value	81,985	19,481
Loans receivable held for investment, net of allowance of $6,923 and $8,465	195,154	276,643
Accrued interest receivable	1,050	1,216
Federal Home Loan Bank (FHLB) stock	2,915	4,254
Office properties and equipment, net	2,628	2,697
Real estate owned (REO)	2,178	2,082
Bank owned life insurance	2,851	2,821
Investment in affordable housing limited partnership	1,021	1,117
Other assets	2,129	2,687
Total assets	**$ 359,219**	**$ 350,863**
Liabilities and stockholders equity		
Liabilities:		
Deposits	$ 232,152	$ 217,867
FHLB advances	77,500	86,000
Junior subordinated debentures	5,100	5,100
Advance payments by borrowers for taxes and insurance	1,037	1,081
Accrued expenses and other liabilities	3,782	3,557
Total liabilities	**319,571**	**313,605**
Stockholders Equity:		
Common stock, $.01 par value, voting, authorized 50,000,000 shares at June 30, 2015 and December 31, 2014; issued 21,509,179 shares at June 30, 2015 and December 31, 2014; outstanding 21,405,188 shares at June 30, 2015 and December 31, 2014	215	215
Common stock, $.01 par value, non-voting, authorized 25,000,000 shares at June 30, 2015 and December 31, 2014; issued and outstanding 7,671,520 shares at June 30, 2015 and December 31, 2014	77	77
Additional paid-in capital	44,669	44,669
Accumulated deficit	(4,088)	(6,539)
Accumulated other comprehensive income	104	165
Treasury stock-at cost, 103,991 shares at June 30, 2015 and December 31, 2014	(1,329)	(1,329)
Total stockholders equity	**39,648**	**37,258**
Total liabilities and stockholders equity	**$ 359,219**	**$ 350,863**

See accompanying notes to unaudited consolidated financial statements.

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BROADWAY FINANCIAL CORPORATION AND SUBSIDIARY

Consolidated Statements of Income and Comprehensive Income

(Unaudited)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
	(In thousands, except per share)			
Interest income:				
Interest and fees on loans receivable	$ 3,779	$ 3,689	$ 7,503	$ 7,315
Interest on mortgage-backed and other securities	90	104	184	168
Other interest income	243	82	330	188
Total interest income	4,112	3,875	8,017	7,671
Interest expense:				
Interest on deposits	435	427	850	888
Interest on borrowings	536	533	1,067	1,070
Total interest expense	971	960	1,917	1,958
Net interest income before recapture of loan losses	3,141	2,915	6,100	5,713
Recapture of loan losses	750	500	1,500	1,582
Net interest income after recapture of loan losses	3,891	3,415	7,600	7,295
Non-interest income:				
Service charges	102	113	208	230
Net gain on sale of loans	380	-	514	-
Net loss on sale of REOs	(14)	(47)	-	(50)
CDFI grant	-	-	355	200
Other	24	(2)	58	17
Total non-interest income	492	64	1,135	397
Non-interest expense:				
Compensation and benefits	1,670	1,607	3,438	3,195
Occupancy expense, net	287	296	586	580
Information services	245	218	462	437
Professional services	208	239	478	663
Office services and supplies	79	94	160	196
FDIC assessments	95	176	175	350
REO	164	377	200	425
Corporate insurance	102	116	196	228
Other	374	297	581	567
Total non-interest expense	3,224	3,420	6,276	6,641
Income before income taxes	1,159	59	2,459	1,051
Income tax expense	6	-	8	3
Net income	$ 1,153	$ 59	$ 2,451	$ 1,048
Other comprehensive income (loss), net of tax:				
Change in unrealized gains (losses) on securities available-for-sale	$ (118)	$ 94	$ (61)	$ 73
Income tax effect	-	-	-	-
Other comprehensive income (loss), net of tax	(118)	94	(61)	73
Comprehensive income	$ 1,035	$ 153	$ 2,390	$ 1,121
Earnings per common share-basic	$ 0.04	$ 0.00	$ 0.08	$ 0.05

Earnings per common share-diluted	$ 0.04	$ 0.00	$ 0.08	$ 0.05

See accompanying notes to unaudited consolidated financial statements.

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BROADWAY FINANCIAL CORPORATION AND SUBSIDIARY

Consolidated Statements of Cash Flows

(Unaudited)

	Six Months Ended June 30, 2015	2014
	(In thousands)	
Cash flows from operating activities:		
Net income	$ 2,451	$ 1,048
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Recapture of loan losses	(1,500)	(1,582)
Provision for losses on REOs	126	340
Depreciation	117	116
Net amortization of deferred loan origination costs	167	75
Net amortization of premiums on mortgage-backed securities	30	22
Amortization of investment in affordable housing limited partnership	96	96
Stock-based compensation expense	-	11
Earnings on bank owned life insurance	(30)	(33)
Originations of loans receivable held for sale	(31,479)	-
Proceeds from sales of loans receivable held for sale	14,781	-
Net gain on sale of loans	(514)	-
Net loss on sale of REOs	-	50
Amortization of deferred gain on debt restructuring	-	(74)
Stock-based compensation non-employee	-	25
Net change in accrued interest receivable	166	(30)
Net change in other assets	558	56
Net change in advance payments by borrowers for taxes and insurance	(44)	38
Net change in accrued expenses and other liabilities	225	756
Net cash provided by (used in) operating activities	(14,850)	914
Cash flows from investing activities:		
Net change in loans receivable held for investment	(8,204)	(17,459)
Proceeds from sales of loans receivable held for sale	44,725	-
Principal repayments on loans receivable held for sale	166	-
Available-for-sale securities:		
Prepayments and amortizations	1,337	1,097
Purchases	-	(10,463)
Proceeds from sales of REO	621	2,219
Redemption of FHLB stock	1,527	-
Purchase of FHLB stock	(188)	-
Additions to office properties and equipment	(48)	(194)
Net cash provided by (used in) investing activities	39,936	(24,800)
Cash flows from financing activities:		
Net change in deposits	14,285	326
Proceeds from FHLB advances	21,000	8,000
Repayments of FHLB advances	(29,500)	(8,000)
Net cash provided by financing activities	5,785	326
Net change in cash and cash equivalents	30,871	(23,560)
Cash and cash equivalents at beginning of the period	20,790	58,196
Cash and cash equivalents at end of the period	$ 51,661	$ 34,636
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 1,941	$ 1,906
Cash paid for income taxes	2	3

Supplemental disclosures of non-cash investing and financing activities:		
Transfers of loans receivable held for investment to REO	$ 843	$ 1,845
Transfers of loans receivable held for investment to loans receivable held for sale	$ 90,183	$ -
Issuance of common stock for services	$ -	$ 25

See accompanying notes to unaudited consolidated financial statements.

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BROADWAY FINANCIAL CORPORATION AND SUBSIDIARY

Notes to Unaudited Consolidated Financial Statements

June 30, 2015

NOTE (1) Basis of Financial Statement Presentation

The accompanying unaudited consolidated financial statements include Broadway Financial Corporation (the Company) and its wholly owned subsidiary, Broadway Federal Bank, f.s.b. (the Bank). Also included in the unaudited consolidated financial statements is Broadway Service Corporation, a wholly owned subsidiary of the Bank. All significant intercompany balances and transactions have been eliminated in consolidation.

The unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions for quarterly reports on Form 10-Q. These unaudited consolidated financial statements do not include all disclosures associated with the Company s consolidated annual financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2014 and, accordingly, should be read in conjunction with such audited consolidated financial statements. In the opinion of management, all adjustments (all of which are normal and recurring in nature) considered necessary for a fair presentation have been included. Operating results for the three and six months ended June 30, 2015 are not necessarily indicative of the results that may be expected for the year ending December 31, 2015.

Some items in the consolidated financial statements for the prior period were reclassified to conform to the current presentation. Reclassifications had no effect on prior period consolidated net income or loss or stockholders equity.

Recent Accounting Pronouncements

In January 2014, the FASB issued ASU 2014-01, Investments - Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Qualified Affordable Housing Projects . ASU 2014-01 permits a reporting entity to make an accounting policy election to account for its investments in affordable housing projects using the proportional amortization method if certain conditions are met. Under the proportional amortization method, an entity amortizes the initial cost of the investment in proportion to the amount of tax credits and other tax benefits received and recognizes the net investment performance in the income statement as a component of income tax expense or benefit. ASU 2014-01 becomes effective for interim and annual periods beginning on or after December 15, 2014, with early adoption permitted. The provisions of ASU 2014-01 must be applied retrospectively to all periods presented. Adopting this standard did not have a material impact on the Company s consolidated financial statements.

In August 2014, the FASB issued ASU 2014-15, Presentation of Financial Statements - Going Concern (Subtopic 205-40) - Disclosure of Uncertainties about an Entity s Ability to Continue as a Going Concern . ASU 2014-15 incorporates into U.S. GAAP a requirement that management complete a going concern evaluation similar to that performed by an entity s external auditor. Under the new guidance, management will be required to perform interim and annual assessments of an entity s ability to continue as a going concern within one year of the date of issuance of the entity s financial statements. Further, an entity must provide certain disclosures if there is substantial doubt about the entity s ability to continue as a going concern. ASU 2014-15 is effective for annual periods ending after December 15, 2016, and interim periods thereafter. Early adoption is permitted. Adoption of this standard is not expected to have a material impact on the Company s consolidated financial statements.

In January 2015, the FASB issued ASU 2015-01, Income Statement - Extraordinary and Unusual Items (Subtopic 225-20) - Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items . ASU 2015-01 eliminates from U.S. GAAP the concept of extraordinary items, which, among other things, required an entity to segregate extraordinary items considered to be unusual and infrequent from the results of ordinary operations and show the item separately in the income statement, net of tax, after income from continuing operations. ASU 2015-01 is effective for annual periods ending after December 15, 2015, and interim periods thereafter. Early adoption is permitted. Adoption of this standard is not expected to have a material impact on the Company s consolidated financial statements.

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BROADWAY FINANCIAL CORPORATION AND SUBSIDIARY

Notes to Unaudited Consolidated Financial Statements (continued)

In April 2015, the FASB issued ASU 2015-03, Simplifying the Presentation of Debt Issuance Costs . Under ASU 2015-03, the Company will present debt issuance costs in the balance sheet as a reduction from the related debt liability rather than as an asset. Amortization of such costs will continue to be reported as interest expense. ASU 2015-03 is effective for annual periods ending after December 15, 2015, and interim periods thereafter. Early adoption is permitted. Retrospective adoption is required. Adoption of this standard is not expected to have a material impact on the Company s consolidated financial statements.

NOTE (2) Earnings Per Share of Common Stock

Basic earnings per share of common stock is computed by dividing income available to common stockholders by the weighted average number of shares of common stock outstanding for the period. Diluted earnings per share of common stock is computed by dividing income available to common stockholders by the weighted average number of shares of common stock outstanding for the period, increased for the dilutive effect of common stock equivalents.

The following table shows how the Company computed basic and diluted earnings per share of common stock for the three and six months ended June 30, 2015 and 2014:

	For the three months ended June 30, 2015	For the three months ended June 30, 2014	For the six months ended June 30, 2015	For the six months ended June 30, 2014
	(Dollars in thousands, except per share)			
Basic				
Net income	$ 1,153	$ 59	$ 2,451	$ 1,048
Weighted average common shares outstanding	29,076,708	20,243,948	29,076,708	20,234,368
Earnings per common share - basic	$ 0.04	$ 0.00	$ 0.08	$ 0.05
Diluted				
Net income	$ 1,153	$ 59	$ 2,451	$ 1,048
Weighted average common shares outstanding	29,076,708	20,243,948	29,076,708	20,234,368
Add: dilutive effects of assumed exercises of stock options	-	-	-	-
Weighted average common shares - fully dilutive	29,076,708	20,243,948	29,076,708	20,234,368
Earnings per common share - diluted	$ 0.04	$ 0.00	$ 0.08	$ 0.05

Stock options for 93,750 shares of common stock were not considered in computing diluted earnings per common share for the three and six months ended June 30, 2015 and 2014 because they were anti-dilutive.

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BROADWAY FINANCIAL CORPORATION AND SUBSIDIARY

Notes to Unaudited Consolidated Financial Statements (continued)

NOTE (3) Securities

The following table summarizes the amortized cost and fair value of the available-for-sale investment securities portfolios at June 30, 2015 and December 31, 2014 and the corresponding amounts of unrealized gains and losses which are recognized in accumulated other comprehensive income (loss):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(In thousands)		
June 30, 2015:				
Residential mortgage-backed	$ 13,204	$ 470	$ -	$ 13,674
U.S. Government and federal agency	1,939	34	-	1,973
Total available-for-sale securities	$ 15,143	$ 504	$ -	$ 15,647
December 31, 2014:				
Residential mortgage-backed	$ 14,578	$ 540	$ -	$ 15,118
U.S. Government and federal agency	1,932	25	-	1,957
Total available-for-sale securities	$ 16,510	$ 565	$ -	$ 17,075

At June 30, 2015, the Bank s investment portfolio had an estimated remaining life of 4.6 years. The amortized cost and fair value of the investment securities portfolio are shown by contractual maturity at June 30, 2015. Expected maturities may differ from contractual maturities if borrowers have the right to call or prepay obligations with or without call or prepayment penalties. Securities not due at a single maturity date, primarily residential mortgage-backed securities, are shown separately.

	Available-for-Sale	
Maturity	Amortized Cost	Fair Value
	(In thousands)	
Within one year	$ -	$ -
One to five years	1,939	1,973
Five to ten years	-	-
Beyond ten years	-	-
Residential mortgage-backed	13,204	13,674
Total	$ 15,143	$ 15,647

At June 30, 2015 and December 31, 2014, securities pledged to secure public deposits had a carrying amount of $783 thousand and $1.2 million, respectively. At June 30, 2015 and December 31, 2014, there were no holdings of securities of any one issuer, other than the U.S. Government and its agencies, in an amount greater than 10% of stockholders equity.

There were no sales of securities during the three and six months ended June 30, 2015 and 2014.

NOTE (4) Loans Receivable Held for Sale

Loans receivable held for sale at June 30, 2015 and December 31, 2014 totaled $82.0 million and $19.5 million, respectively, and consisted of multi-family loans. During the three and six months ended June 30, 2015, multi-family loans originated for sale totaled $18.9 million and $31.5 million, respectively. During the second quarter of 2015, in order to comply with regulatory loan concentration guidelines, the Bank transferred $90.2 million of performing multi-family loans from held for investment to held for sale.

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BROADWAY FINANCIAL CORPORATION AND SUBSIDIARY

Notes to Unaudited Consolidated Financial Statements (continued)

During the three and six months ended June 30, 2015, loan sales totaled $46.8 million and $59.0 million, respectively.

NOTE (5) Loans Receivable Held for Investment

Loans at June 30, 2015 and December 31, 2014 were as follows:

	June 30, 2015	December 31, 2014
	(In thousands)	
Real estate:		
Single family	$ 34,200	$ 39,792
Multi-family	103,947	171,792
Commercial real estate	12,979	16,722
Church	49,729	54,599
Construction	366	387
Commercial other	252	262
Consumer	4	9
Gross loans receivable before deferred loan costs and premiums	201,477	283,563
Unamortized net deferred loan costs and premiums	600	1,545
Gross loans receivable	202,077	285,108
Allowance for loan losses	(6,923)	(8,465)
Loans receivable, net	$ 195,154	$ 276,643

The following tables present the activity in the allowance for loan losses by loan type for the three and six months ended June 30, 2015 and 2014:

Three Months Ended June 30, 2015	Single family	Multi-family	Real Estate Commercial real estate	Church	Construction	Commercial - other	Consumer	Total
	(In thousands)							
Beginning balance	$ 1,164	$ 2,741	$ 436	$ 3,314	$ 4	$ 11	$ 1	$ 7,671
Provision for (recapture of) loan losses	(11)	(896)	(32)	189	-	1	(1)	(750)
Recoveries	-	-	-	5	-	-	-	5
Loans charged off	(3)	-	-	-	-	-	-	(3)
Ending balance	$ 1,150	$ 1,845	$ 404	$ 3,508	$ 4	$ 12	$ -	$ 6,923

Six Months Ended June 30, 2015

Real Estate

	Single family	Multi-family	Commercial real estate	Church	Construction	Commercial - other	Consumer	Total
				(In thousands)				
Beginning balance	$ 1,174	$ 2,726	$ 496	$ 4,047	$ 7	$ 12	$ 3	$ 8,465
Provision for (recapture of) loan losses	(21)	(881)	(92)	(500)	(3)	-	(3)	(1,500)
Recoveries	-	-	-	11	-	-	-	11
Loans charged off	(3)	-	-	(50)	-	-	-	(53)
Ending balance	$ 1,150	$ 1,845	$ 404	$ 3,508	$ 4	$ 12	$ -	$ 6,923

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BROADWAY FINANCIAL CORPORATION AND SUBSIDIARY

Notes to Unaudited Consolidated Financial Statements (continued)

	Single family	Multi-family	Real Estate Commercial real estate	Church	Construction	Commercial - other	Consumer	Total
	Three Months Ended June 30, 2014 (In thousands)							
Beginning balance	$ 1,874	$ 2,107	$ 1,212	$ 4,867	$ 7	$ 20	$ 4	$ 10,091
Provision for (recapture of) loan losses	65	197	(131)	(629)	-	(2)	-	(500)
Recoveries	-	-	-	13	-	1	-	14
Loans charged off	(90)	-	-	(139)	-	-	-	(229)
Ending balance	$ 1,849	$ 2,304	$ 1,081	$ 4,112	$ 7	$ 19	$ 4	$ 9,376

	Single family	Multi-family	Real Estate Commercial real estate	Church	Construction	Commercial - other	Consumer	Total
	Six Months Ended June 30, 2014 (In thousands)							
Beginning balance	$ 1,930	$ 1,726	$ 1,473	$ 4,949	$ 7	$ 55	$ 6	$ 10,146
Provision for (recapture of) loan losses	10	578	(383)	(684)	-	(1,101)	(2)	(1,582)
Recoveries	2	-	-	169	-	1,083	-	1,254
Loans charged off	(93)	-	(9)	(322)	-	(18)	-	(442)
Ending balance	$ 1,849	$ 2,304	$ 1,081	$ 4,112	$ 7	$ 19	$ 4	$ 9,376

The following tables present the balance in the allowance for loan losses and the recorded investment (unpaid contractual principal balance less charge-offs, less interest applied to principal, plus unamortized deferred costs and premiums) by loan type and based on impairment method as of June 30, 2015 and December 31, 2014:

	Single family	Multi-family	Real Estate Commercial real estate	Church	Construction	Commercial - other	Consumer	Total
	June 30, 2015 (In thousands)							
Allowance for loan losses:								
Ending allowance balance attributable to loans:								
Individually evaluated for impairment	$ 138	$ 4	$ 95	$ 1,153	$ -	$ 10	$ -	$ 1,400
Collectively evaluated for impairment	1,012	1,841	309	2,355	4	2	-	5,523
Total ending allowance balance	$ 1,150	$ 1,845	$ 404	$ 3,508	$ 4	$ 12	$ -	$ 6,923
Loans:								
Loans individually evaluated for impairment	$ 1,337	$ 1,469	$ 2,788	$ 13,385	$ -	$ 80	$ -	$ 19,059
Loans collectively evaluated for impairment	33,085	103,344	10,200	35,847	366	172	4	183,018

Total ending loans balance	$ 34,422	$ 104,813	$ 12,988	$ 49,232	$ 366	$ 252	$ 4	$ 202,077

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BROADWAY FINANCIAL CORPORATION AND SUBSIDIARY

Notes to Unaudited Consolidated Financial Statements (continued)

	December 31, 2014							
	Single family	Multi-family	Real Estate Commercial real estate	Church	Construction	Commercial - other	Consumer	Total
	(In thousands)							
Allowance for loan losses:								
Ending allowance balance attributable to loans:								
Individually evaluated for impairment	$ 132	$ 115	$ 161	$ 1,088	$ -	$ 10	$ -	$ 1,506
Collectively evaluated for impairment	1,042	2,611	335	2,959	7	2	3	6,959
Total ending allowance balance	$ 1,174	$ 2,726	$ 496	$ 4,047	$ 7	$ 12	$ 3	$ 8,465
Loans:								
Loans individually evaluated for impairment	$ 1,414	$ 2,765	$ 4,636	$ 14,602	$ -	$ 102	$ -	$ 23,519
Loans collectively evaluated for impairment	38,641	170,785	12,083	39,525	387	159	9	261,589
Total ending loans balance	$ 40,055	$ 173,550	$ 16,719	$ 54,127	$ 387	$ 261	$ 9	$ 285,108

The following table presents information related to loans individually evaluated for impairment by loan type as of June 30, 2015 and December 31, 2014:

	June 30, 2015			December 31, 2014		
	Unpaid Principal Balance	Recorded Investment	Allowance for Loan Losses Allocated	Unpaid Principal Balance	Recorded Investment	Allowance for Loan Losses Allocated
	(In thousands)					
With no related allowance recorded:						
Single family	$ 1,432	$ 667	$ -	$ 1,448	$ 736	$ -
Multi-family	915	798	-	1,384	1,263	-
Commercial real estate	1,862	1,081	-	4,836	1,174	-
Church	5,929	3,984	-	6,234	4,350	-
Commercial - other	13	13	-	34	34	-
With an allowance recorded:						
Single family	670	670	138	678	678	132
Multi-family	671	671	4	1,541	1,502	115
Commercial real estate	1,707	1,707	95	3,473	3,462	161
Church	9,790	9,401	1,153	10,751	10,252	1,088
Commercial -other	67	67	10	68	68	10
Total	$ 23,056	$ 19,059	$ 1,400	$ 30,447	$ 23,519	$ 1,506

The recorded investment in loans excludes accrued interest receivable due to immateriality. For purposes of this disclosure, the unpaid principal balance is not reduced for net charge-offs.

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BROADWAY FINANCIAL CORPORATION AND SUBSIDIARY

Notes to Unaudited Consolidated Financial Statements (continued)

The following tables present the monthly average of loans individually evaluated for impairment by loan type and the related interest income for the three and six months ended June 30, 2015 and 2014.

	Three Months Ended June 30, 2015		Six Months Ended June 30, 2015	
	Average Recorded Investment	Cash Basis Interest Income Recognized	Average Recorded Investment	Cash Basis Interest Income Recognized
	(In thousands)			
Single family	$ 1,346	$ 8	$ 1,364	$ 15
Multi-family	1,974	99	2,305	115
Commercial real estate	2,897	55	3,639	161
Church	13,695	144	14,191	286
Commercial -other	82	1	89	3
Total	$ 19,994	$ 307	$ 21,588	$ 580

	Three Months Ended June 30, 2014		Six Months Ended June 30, 2014	
	Average Recorded Investment	Cash Basis Interest Income Recognized	Average Recorded Investment	Cash Basis Interest Income Recognized
	(In thousands)			
Single family	$ 2,930	$ 18	$ 2,977	$ 35
Multi-family	3,543	23	3,722	46
Commercial real estate	4,783	96	4,828	189
Church	17,110	192	18,557	333
Commercial -other	130	2	137	5
Total	$ 28,496	$ 331	$ 30,221	$ 608

Cash-basis interest income recognized represents cash received for interest payments on accruing impaired loans. Interest payments collected on non-accrual loans are characterized as payments of principal rather than payments of the outstanding accrued interest on the loans until the remaining principal on the non-accrual loans is considered to be fully collectible. Foregone interest income that would have been recognized had loans performed in accordance with their original terms amounted to $166 thousand and $328 thousand for the three months ended June 30, 2015 and 2014, respectively, and $450 thousand and $821 thousand for the six months ended June 30, 2015 and 2014, respectively, and were not included in the consolidated results of operations.

The following tables present the aging of the recorded investment in past due loans as of June 30, 2015 and December 31, 2014 by loan type:

	June 30, 2015				
	30-59 Days	60-89 Days	Greater than 90 Days	Total Past Due	Current

	Past Due	Past Due	Past Due (In thousands)		
Loans receivable held for investment:					
Single family	$ 82	$ -	$ -	$ 82	$ 34,340
Multi-family	341	-	457	798	104,015
Commercial real estate	-	-	-	-	12,988